(b) if so, the details thereof;

(c) whether it is a fact that percent of credit flow towards Small Scale industries by Nationalised Banks and Financial institutions is approximately nil whereas these units have a major contribution in National production; and

(d) if so, Governments reaction in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) and (b) The Reserve Bank of India (RBI), on 20th May 2005, has advised all Scheduled Commercial Banks and SLBC Convenor Banks to initiate early implementation of a scheme for "Small Enterprises Financial Centres (SEFCs)". Under the scheme, banks are encouraged to establish mechanisms for better co-ordination between their branches and branches of SIDBI which are located in the clusters identified by the Ministry of Small Scale Industries for co-financing of SME sector (including tiny and services sector) on mutually agreeable operational modalities to be worked out by SIDBI and the strategic partner banks. The Small Industries Development Bank of India (SIDBI) had initially decided to implement the scheme in 149 clusters and has so far executed MOU with 9 banks.

(c) and (d) No, Sir. Credit extended to SSI sector by the public sector banks has gone up from Rs. 52988 crores in the year 2003 to Rs. 67634 crores in the year 2005. The share of net bank credit to total credit of public sector banks stood at above 9% as on March 31, 2005. To further step up credit to small and medium enterprises, Government have announced a policy package on August 10, 2005 which seeks to double the flow of credit to these enterprises over the next five years.

Deferment of Disinvestment of equity of BHEL

†2163. SHRI SURENDRA LATH:
SHRI KRIPAL PARMAR:

Will the Minister of FINANCE be pleased to state:

(a) whether Government have abandoned the policy of disinvestment;

† Original notice of the question was received in Hindi.

(b) if not, whether Government have also deferred the disinvestment of 10 percent shares of BHEL;

(c) if so, what are the reasons therefor;

(d) whether it is also a fact that the Prime Minister has again and again reiterated that there is need of a lot of investment for making the country the economic super power and that the speed of investment cannot be increased without resorting to disinvestment; and

(e) if so, in what manner the object of heavy investment shall be achieved in the absence of disinvestment?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) No, Sir. Government has decided, in principle, to list large, profitable Central Public Sector Enterprises (CPSEs) on domestic stock exchange and to selectively sell small portions of equity in listed, profitable CPSEs (other than the navratnas).

(b) and (c) Since BHEL is a navratna PSE, government has decided to put in abeyance the process of disinvestment in BHEL.

(d) and (e) Prime Minister has not made any statement to the effect that the speed of investment cannot be increased without resorting to disinvestment.

Benefits of Foreign Exchange Remittance

2164. SHRI ABU ASIM AZMI: Will the Minister of FINANCE be pleased to state:

(a) how far the country has been benefited by foreign exchange remittance during the year 2005;

(b) whether such benefits are expected during the year 2006; and

(c) how far this benefit shall have a favourable impact on the country's economy and finance, in all respects and by when?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) to (c) The Reserve Bank of India (RBI) in it's Annual Report 2004-05 states that the surge in remittances, particularly since the information technology revolution in the 1990s, has